

OFFICE OF FINANCE PROGRAMS

MILITARY PERSONNEL AND SERVICE-DISABLED
VETERANS NO-INTEREST LOAN PROGRAM

(MPSDVLP)

ANNUAL STATUS REPORT
FISCAL YEAR 2011

Submitted by:

Maryland Department of Business and Economic Development

As of June 30, 2011

MILITARY PERSONNEL AND SERVICE-DISABLED
VETERANS NO-INTEREST LOAN PROGRAM

(MPSDVLP)

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DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT

MILITARY PERSONNEL AND SERVICE-DISABLED VETERANS NO-INTEREST LOAN PROGRAM (MPSDVLP)

History and Program Description

The Military Personnel and Service-Disabled Veterans No-Interest Loan Program is administered by the Department of Business and Economic Development (DBED) in consultation with the Maryland Department of Veterans Affairs (MDVA). The Program was established in 2006 to assist military reservists and National Guard members called to active duty, service-disabled veterans, and businesses that employ or are owned by such persons.

For businesses owned by military reservists and National Guard members called to active duty, and for small businesses that employ such persons, the purpose of the Program is to assist with costs that result from the call to active duty. For service-disabled veterans, businesses owned by service-disabled veterans, and businesses employing service-disabled veterans, the purposes of the Program are to assist with the cost of making the home, motor vehicle, or place of employment of a service-disabled veteran accessible to individuals with disabilities, and to defray other necessary expenses incurred by the employer of a service-disabled veteran as a result of the veteran's disability, or by a service-disabled veteran or a business owned by a service-disabled veteran.

Eligible applicants include businesses owned by military reservists and National Guard members called to active duty, and small businesses, with fewer than 50 employees, that employ them. For reservists or National Guard members called to active duty, program funds must be used for payment of identifiable costs of the business, including general business expenses, which result from the call to active duty. The loan may be made at any time from the date of the call to active duty through the period ending six months after the end of the individual's active duty. Eligible applicants also include service-disabled veterans and businesses that employ them or are owned by them. For service-disabled veterans, program funds must be used either for the acquisition of equipment or for the payment of other necessary expenses, including general business expenses necessary to start or sustain a business operation.

Equipment purchased with program funds must have a useful life in excess of one year and must help make the home, motor vehicle, or place of employment of a service-disabled veteran accessible to individuals with disabilities. Expenses for equipment may include the cost of training needed to use the equipment, maintenance agreements and extended warranties for the equipment, and the cost to install telecommunications systems necessary for use of the equipment (e.g. telephone, DLS, internet hookup cost). Also, a service-disabled veteran seeking assistance with modifying a home or automobile must first apply for and receive a final determination of eligibility for assistance from the U.S. Department of Veterans Affairs under the Home Modification Program or the Automobile and Special Adaptive Equipment Program.

Program Performance Since Inception

Since the inception of the program through June 30, 2011, the Department has approved fifteen (15) loan transactions totaling \$687,907. Five loans totaling \$250,000 have settled. The total outstanding balance of five (5) loans in the portfolio is \$225,246. Since the inception of the program no loans have

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been charged-off. The activity of the MPSDVLP program has contributed to the creation and retention of approximately 33 jobs, and encouraged approximately \$1.2 million in private capital investment.

Program Performance for Fiscal Year 2011

The Department approved seven (7) new MPSDVLP transactions in fiscal year 2011 that will utilize \$288,000 of program funds. These projects are anticipated to create and retain approximately 42 jobs and facilitate approximately \$319,000 in private capital investment. These projects are anticipated to settle in fiscal year 2012.

Projected Program Performance for Fiscal Year 2012

The appropriation of funds for the MPSDVLP for fiscal year 2012 is \$300,000. The Department anticipates that 100% of these funds will be committed to eligible projects during fiscal year 2012.

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Approved Report

7/1/2010 Through 6/30/2011

<i>Approved Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees Pro /</i>	<i>New Retained Jobs</i>	<i>Jobs</i>
<i>Military/Disabled Veterans</i>										
3/16/2011	Burkhart & Associates, Inc. dba	12370101	\$35,000.00	0.0%	\$0.00	Calvert	\$66,000.00	N/A	2	5
3/31/2011	RRT Enterprises, LLC	12450101	\$25,000.00	0.0%	\$0.00	Prince George's	\$25,000.00	N/A	3	0
4/29/2011	Integrated Benefits Grp dba Axim	12550101	\$45,000.00	0.0%	\$0.00	Montgomery	\$45,000.00	N/A	4	3
6/17/2011	EAdvantage, Inc.	12690101	\$50,000.00	0.0%	\$0.00	Montgomery	\$50,000.00	N/A	3	4
6/17/2011	Leana Nishimura-Stewart dba	12730101	\$33,000.00	0.0%	\$0.00	Harford	\$33,000.00	N/A	1	4
6/17/2011	William R. Greer, Jr., P.C.	12720101	\$50,000.00	0.0%	\$0.00	Charles	\$50,000.00	N/A	3	3
6/20/2011	Price Capital Investment	12680101	\$50,000.00	0.0%	\$0.00	Charles	\$50,000.00	N/A	7	0
Totals:	7 Loans		\$288,000.00		\$0.00		\$319,000.00	0	23	19
Grand Totals:	7 Loans		\$288,000.00		\$0.00		\$319,000.00	0	23	19

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Settled Report

7/1/2010 Through 6/30/2011

<i>Settled Date</i>	<i>Client Name</i>	<i>Loan</i>	<i>Loan Amount</i>	<i>Guarantor Percentage</i>	<i>Loan Guarantee</i>	<i>County</i>	<i>Total Project Costs</i>	<i>Trainees Pro /</i>	<i>New Jobs</i>	<i>Retained Jobs</i>
<i>Military/Disabled Veterans</i>										
9/20/2010	Titan Elite Services, LLC	11790101	\$50,000.00	0.0%	\$0.00	Baltimore City	\$50,000.00	N/A	3	3
2/18/2011	Rainmakers Government	10230101	\$50,000.00	0.0%	\$0.00	Howard	\$50,000.00	N/A	15	5
Totals:		2 Loans	\$100,000.00		\$0.00		\$100,000.00	0	18	8
Grand Totals:		2 Loans	\$100,000.00		\$0.00		\$100,000.00	0	18	8